

Oral Representation Made by Vice Minister for Foreign Affairs
Mr. SHIBATA, Kenzo to the British and American Ambassadors at Tokyo
Regarding The Question of the Combined Settlement in Shanghai.

May 3, 1939

(a) The administrative structure and system of the Settlement including the Land Regulations, on which the administration of the Settlement is based, are defective in many respects rendering them wholly unsuitable to the present situation. The provisions of the Land Regulations, now in force, save on a few minor points, remain exactly the same as those of the Land Regulations of 1866. In other words, the Settlement is still governed by a set of basic regulations enacted seventy-three years ago when the Settlement was less than one-third of its present area, and foreigners residing there numbered no more than 2,200 and there were only about 90,000 Chinese residents. Unquestionably the existing administrative structure and system of the Settlement are in many respects inadequate to meet the new situation which has developed in the ensuing 70 odd years.

(b) To enable the Settlement to adopt itself to the actual conditions now obtaining and to discharge properly its functions, not a few improvements and innovations should be introduced into its administrative machinery and its operation. Several years ago the question of the reform of the Municipal Council was eagerly discussed in the press of Shanghai. It was then pointed out that the system of election for

the Municipal Council was undemocratic; that the British monopolized important offices in the Municipal Council held an overwhelming majority in its other offices and tended to be oligarchical in administering its affairs. It further asserted that administrative expenses were excessive, and therefore, a considerable retrenchment of expenditure was required in regard to the Volunteer Corps, the orchestra and education, and in other respects; and that the budgetary expenditure of the Municipal Council, especially that relating to education, was not fairly distributed among the different national communities. All those assertions were generally justified.

(c) To make smooth the working of the administrative machinery of the Settlement, it is imperative that the Structure of the Municipal Council should be remodelled with a view to meeting the requirements of the present day. It is also necessary that the nationals of all the countries interested should have a fair and just voice in the affairs of the Municipal Council. The voice of the Japanese Community, despite the enormous Japanese interests there, is not given a due and fair expression in the administration of the Settlement. This is evident from the small number of the Japanese Councillors, from the position of Japanese officers in the Municipal police Department, or from how Japanese officials stand in the other departments of general administration. A reasonable adjustment of the present conditions, which are so unfair and unsatisfactory, is therefore, imperatively necessary.

(d) In considering the status and administration of the Settlement it should be borne in mind that a radical change has come over the general situation in China since the outbreak of the China Affair. Especially in Shanghai and its neighbourhood, the situation had completely changed. New regimes, distinct and separate from the Chiang Kai-shek Regime, have come into existence and are functioning the Special City Government in Shanghai and the Weihsin(new) Government in central China. It is most desirable, therefore, that the Settlement authorities should closely cooperate with the Special City Government for the maintenance of peace and order and for the safeguarding of general public welfare in Shanghai and its vicinity. For that purpose some measures must be immediately taken. For instance practical consideration should be given to the position of the Chinese Court of Justice existing within the Settlement, and the question of restitution of the old City Government's Land Registers held in custody by the Municipal Council must be speedily settled.

(e) The Japanese Government cannot allow to pass unnoticed the rampancy of anti-Japanese elements or those elements hostile to the new regime in China, who are taking advantage of the special statutes of the Settlement in carrying on their lawless activities. It is incumbent upon the Settlement authorities and upon all the interested countries to accord serious consideration to the necessity of effecting a thorough control of the terrorism, anti-Japanese propaganda and all other malignant acts of these elements, and to take requisite steps accordingly.

C E R T I F I C A T E

Statement of Source and Authenticity

I, HAYASHI, Kaoru Chief of the Archives Section Japanese Foreign Office, hereby certify that the document hereto attached in English consisting of 5 pages and entitled "Oral Representation made by Vice Minister for Foreign Affairs Mr. Renzo. Sawada, to the British and American Ambassadors at Tokyo regarding the question of the Settlement in Shanghai May 3, 1939" is an exact and true copy of an official document of the Japanese Foreign Office.

Certified at Tokyo,
on this 9th day of April 1947.

K. Hayashi
Signature of Official

Witness: K. Urabe

16